

to unsubstantiated costs and to sloppy accounting. Fortune magazine's analysis of Government reports found \$2 billion of unjustified or undocumented charges. The Pentagon's Defense Contract Audit Agency has cited inadequacies and deficiencies in contractor billing systems, along with unreasonable and illogical cost justification. The Wall Street Journal reports that Pentagon auditors are investigating whether Halliburton overcharged taxpayers by \$212 million for delivering fuel to Iraq.

Questions have arisen in the House of Representatives about why these costs had been concealed from international auditors. The Government Accountability Office has cited the risks of inadequate cost controls for contractors in Iraq. The Coalition Provisional Authority's inspector general cited millions of dollars in overcharges from Halliburton employees indulging themselves at the Kuwait Hilton. Imagine U.S. soldiers in the field forced to survive on military rations and suffering the unbearable heat of the desert while Halliburton employees enjoy the breakfast buffet in an air-conditioned Hilton.

The House Government Reform Committee reported hundreds of millions of dollars in waste by some contractors. A glance at the committee Web site reveals tens of millions of dollars in questionable charges—task order after task order showing \$86 million in unexplained charges, \$34 million in unsupported costs, \$36 million in unjustified expenditures, and so on and so on. Incredibly, the Defense Department—your Defense Department, my Defense Department—is paying these charges, even though their own auditors are telling them that the charges are unjustified.

One example reported in the Wall Street Journal: Halliburton's Kellogg, Brown & Root charged taxpayers for dining facility services in Iraq and Kuwait. Pentagon auditors flagged \$200 million of unsupported costs—that is a lot of money—\$200 million of unsupported costs, but the Defense Department released \$145 million in compensation to Kellogg, Brown & Root despite auditors' reservations and despite Halliburton's inability to justify the charge.

It is the taxpayers—you people out there watching through those lenses, those electronic lenses, watching the Senate floor, I am talking about you—it is the taxpayers, your constituents, Mr. President, my constituents, who are being charged for this tripe. It is they who must bear the costs of such rip-offs. It is your money.

Our constituents read in the newspapers how lucrative contracts are awarded without competition, how enormous rewards are handed to campaign donors. Mention the name Halliburton, and, as Fortune magazine quips, an image flashes in the public's mind of "a giant corporation engaged in shameless war profiteering—charg-

ing outrageous prices to provide fuel for Iraqis and meals for American troops."

Our constituencies, the people who send us here, are crying out for Congress to assume a stronger oversight role and to assure them, the people, that their moneys are being spent wisely. The amendment I have offered today does exactly that. My amendment requires the Defense Secretary to provide the Committee on Appropriations and the Armed Services Committee with a quarterly report that lists and describes questionable and unsupported contractor charges identified by Pentagon auditors for Iraq and Afghanistan. The amendment requires the Defense Secretary to withhold 100 percent of the payment for these charges and to assess a penalty by withholding an additional amount equal to 15 percent of the unsupported charge. If Pentagon auditors can verify the charges assessed by the contractor, that they are justifiable, then the Defense Secretary can release the payment.

My amendment is common sense. We ought not to be paying for services that have not been rendered. The American people ought not to be paying for services that have not been rendered. The American people ought not to be paying more than a fair market price. The American people ought not to allow contractors to think they can hoodwink the American citizen and get away with it.

The American public is being asked to sacrifice to pay for this war. The President's budget cuts investments in education, in health care, in domestic priorities that impact every State of the Union in order to pay for these military and reconstruction activities. Congress ought to ensure—that is us—we ought to ensure that sacrifice is not wasted. We ought to slap the knuckles—and slap them hard—of any contractor, whether because of sloppy accounting or because of outright fraud, that results in the American taxpayer being bilked.

I urge my colleagues to support the amendment. I urge its adoption.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I ask my distinguished colleague from West Virginia if it would be in order to lay the amendment aside so I can send to the desk another amendment.

Mr. BYRD. I have no objection.

AMENDMENT NO. 499

Mr. WARNER. Mr. President, I send amendment No. 499 to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for himself, Mr. NELSON of Florida, Mr. ALLEN, Mr. TALENT, Ms. COLLINS, and Mr. WARNER, proposes an amendment numbered 499.

Mr. WARNER. Mr. President, I ask unanimous consent further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: Relating to the aircraft carriers of the Navy)

On page 169, between lines 8 and 9, insert the following:

AIRCRAFT CARRIERS OF THE NAVY

SEC. 1122. (a) FUNDING FOR REPAIR AND MAINTENANCE OF U.S.S. JOHN F. KENNEDY.—Of the amount appropriated to the Department of the Navy by this Act, and by the Department of Defense Appropriations Act, 2005 (Public Law 108-287; 118 Stat. 954), an aggregate of \$288,000,000 may be available only for repair and maintenance of the U.S.S. John F. Kennedy, and available to conduct such repair and maintenance of the U.S.S. John F. Kennedy as the Navy considers appropriate to extend the life of U.S.S. John F. Kennedy.

(b) LIMITATION ON REDUCTION IN NUMBER OF ACTIVE AIRCRAFT CARRIERS.—No funds appropriated or otherwise made available by this Act, or any other Act, may be obligated or expended to reduce the number of active aircraft carriers of the Navy below 12 active aircraft carriers until the later of the following:

(1) The date that is 180 days after the date of the submittal to Congress of the quadrennial defense review required in 2005 under section 118 of title 10, United States Code.

(2) The date on which the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, certifies to Congress that such agreements have been entered into to provide port facilities for the permanent forward deployment of such numbers of aircraft carriers as are necessary in the Pacific Command Area of Responsibility to fulfill the roles and missions of that Command, including agreements for the forward deployment of a nuclear aircraft carrier after the retirement of the current two conventional aircraft carriers.

(c) ACTIVE AIRCRAFT CARRIERS.—For purposes of this section, an active aircraft carrier of the Navy includes an aircraft carrier that is temporarily unavailable for worldwide deployment due to routing or scheduled maintenance.

Mr. WARNER. I am joined by the distinguished Senator from Florida, Mr. NELSON, Senator ALLEN, Senator MARTINEZ, Senator TALENT, and Senator COLLINS. I am prepared to give my statement in support.

I see the Senator from Vermont.

Mr. LEAHY. Mr. President, if the Senator will yield, the Senator from California, Mrs. BOXER, and I are waiting to speak about the tragic death of Marla Ruzicka over the weekend in the form of eulogies. I don't want to interrupt the work of the distinguished senior Senator from Virginia, but when he is finished I am going to seek the floor—both Senator BOXER and I—to give the eulogies, which will not take a great deal of time, but they are important.

Mr. WARNER. I think the Senator is asking that he be recognized at the conclusion of the introduction of this amendment. Senator NELSON and I will be brief to accommodate our colleagues.

Mr. President, this amendment ensures that all necessary repair and maintenance be accomplished on the USS *John F. Kennedy* to keep that ship in active status. The amendment also requires the Navy to keep 12 aircraft